

JONES DAY

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September 11, 2019

BY ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: Notification of *Ex Parte* Meetings
CC Docket No. 01-92 and WC Docket Nos. 07-135 and 18-155**

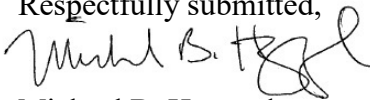
Dear Ms. Dortch:

On September 10 and 11, 2019, Andrew Nickerson, Chief Executive Office of Wide Voice, LLC (“Wide Voice”), and I conducted *ex parte* meetings with the following individuals:

September 10	Arielle Roth, Office of Commissioner O’Rielly Irina Asoskov, Wireline Competition Bureau Susan Bahr, Wireline Competition Bureau Allison Baker, Wireline Competition Bureau Eric Burger, Office of Economic Analysis Lynne Engledow, Wireline Competition Bureau Lisa Hone, Wireline Competition Bureau Al Lewis, Wireline Competition Bureau Erik Ralph, Office of Economic Analysis Erik Raven-Hansen, Wireline Competition Bureau Shane Taylor, Office of Economic Analysis
September 11	Travis Litman, Office of Commissioner Rosenworcel

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During the meetings, Wide Voice distributed the attached presentation, which served as the basis of discussion.

Respectfully submitted,

Michael B. Hazzard

Attachment



WIDE VOICE

EX PARTE, WC DOCKET NO. 18-155

FCC MEETINGS:
SEPTEMBER 2019

Wide Voice's Business

- + Commission is misinformed about Wide Voice
 - Specialized US DID provider
 - ~140M inbound minutes per month
 - ~70% of inbound customer minutes are “paid” services
- + Mission is to provide its customers “Carrier Economics”
- + CLEC in 49 states + DC (including Iowa & South Dakota)
- + Customer Example
- + Wide Voice is not part of an arbitrage “scheme”



6:1 Ratio is Arbitrary and Capricious

- + The Commissions “surgical approach” proposed triggers w/ prong 1 are **Discriminatory**
 - The Commission is requiring LECs to have outbound traffic or else be subjected to punitive economic treatment. As a result, the Commission is providing a carrier with a larger customer base and “balanced traffic” an economic advantage, making big carriers, bigger.
- + The 6:1 ratio as currently drafted, and time frames have no support in the record and fails to consider evidence in the record
- + **Anticompetitive** – multiple traffic ratios authorize revenue share for some but not all, steering traffic.
 - ATT & VZ collect access fees for their audio conferencing & voicemail access. Shifting
 - Creates further windfall for large, established carriers



The Commission failed to consider issues

- + Draft order will subject Commission to high amount of dispute resolution procedures
 - LECs will seek to manage ratios & IXCs will file complaints
- + Draft order fails to address rate, the primary goal of the NPRM
 - Access stimulation at high mileage/rate LECs will continue through traffic ratio management
- + Call completion issues will follow.
 - Who will serve as an immediate carrier when IXC decides to not pay based on access stimulation allegations of a subtending LEC
- + The Proposed Order does not account for LEC bypass occurring in the industry.
- + Access stimulation traffic is not an illegal scheme.
- + How will the Commission handle network quality issues?



PRIMARY RECOMMENDATION

Commission should address the root cause of access arbitrage as it states in its fact sheet “rural local exchange carriers have been taking advantage of inefficiently **high access charges** allowed under the current intercarrier compensation regime” and as it made abundantly clear in the record. Why is it choosing not to address **MILEAGE?**

Address Mileage

- + The Commission should level rates by replacing revenue share with mileage as a primary trigger.
 - History has shown that Carriers will willingly comply when treatment is fair and reasonable.
 - Failure to include a mileage component will perpetuate the disparate costs across carriers and wrong incentives to navigate triggers. Without addressing mileage the Commission will not achieve its goals.
 - Certainty – Billed mileage is available for the entire industry to view on its invoices and in tariff filings, so its not overly complicated at stated.
- + Rates will be leveled and Priced Capped LECs will have full control over CLECs access rates.
 - Big step towards uniform Bill & Keep. At any time, PCLs can move industry to Bill & Keep if they are being truthful in their comments.



SECONDARY RECOMMENDATIONS

Despite the numerous flaws and legal issues, if Commission is intent on proceeding with a stand-alone secondary trigger based on traffic profile, it must ensure that IXCs are not unable to influence LECs return traffic in order to inhibit compliance.

Secondary Recommendations

- + Commission must ensure carriers PAY
 - If commission is going to **require** rate of return carriers & CLEC's to have return traffic, it must ensure IXCs pay their access bills. Otherwise it is forcing LECs to incur additional costs as “disputes” have not been made in good faith.
 - 6:1 ratio based on PAID minutes to the LEC
- + Commission must ensure IXCs provide access back
 - If LECs have restricted access back, which is their current operating model, LECs will not be able to reciprocate traffic as the Commission is requiring.
- + Commission must ensure IXCs complete calls



Secondary Recommendations

- + Commission should have a consistent time to trip trigger and be subject to prong 1 as time to be removed from prong 1 (eg. 90 days in / 90 days out)
- + The Commission's Timeline is Impossible
 - Specializing on inbound traffic has not been prohibited nor subject to disparate treatment, so must provide time for carriers to adapt their business models.
 - There is a complete absence of evidence in the record that compliance within the stated timeline is possible.



